

**Gustavo Grullon**  
**Jesse H. Jones Professor of Finance**

Jesse H. Jones Graduate School of Business  
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**Education**

Ph.D. in Management (January 1999)  
S. C. Johnson Graduate School of Management, Cornell University

M.S. in Management (August 1997)  
S. C. Johnson Graduate School of Management, Cornell University

American Economic Association Summer Training Program (Summer 1992)  
Stanford University

B.B.A., Magna Cum Laude (May 1991)  
University of Puerto Rico, Río Piedras Campus  
Majors: Finance and Economics

**Academic Positions**

Jones Graduate School of Business, Rice University

Jesse H. Jones Professor of Finance	July 2015 – Present
Professor of Finance	July 2011 – June 2015
Associate Professor of Finance	July 2005 – June 2011
Assistant Professor of Finance	July 1998 – June 2005

Wisconsin School of Business, University of Wisconsin at Madison

Visiting Professor	July 2018 – June 2019
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University of Puerto Rico, Río Piedras Campus

Visiting Professor (Summer Sessions)	June 2007 – Present
Instructor	August 1992 – May 1993

**Professional Positions**

Accumyn Consulting

Independent Consultant	January 2010 – Present
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House of Representatives of Puerto Rico

Economic Advisor	May 1991 – July 1993
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## **Research Interests**

Empirical Corporate Finance  
Empirical Asset Pricing

## **Courses Taught**

Corporation Finance (Undergraduate Course, University of Wisconsin at Madison)

Post-Merger Integration Process for the Energy Industry (Second-Year MBA and Executive-MBA Course, Rice University)

Seminar in Corporate Finance (First-Year Ph.D. Course, Rice University)

Corporate Investment Policy (Second-Year MBA Course, Rice University)

Corporate Financial Policy (Second-Year MBA and Executive-MBA Course, Rice University)

Corporate Finance (First-Year Executive-MBA Course, Rice University)

Corporate Financial Management (Second-Year MBA Course, Rice University)

Mergers and Acquisitions (Second-Year MBA and Executive-MBA Course, Rice University)

Finance (First-Year MBA Course, Rice University)

Introduction to Finance (Undergraduate Course, Cornell University)

Money and Banking (Undergraduate Course, University of Puerto Rico, Río Piedras Campus)

## **Honors and Awards**

2017 Jesse H. Jones Graduate School of Business Award for Teaching Excellence

2017 Jesse H. Jones Graduate School of Business Award for Excellence in Research

2014 Runner-up for the Best Paper Award at the 2014 EFA Meetings

2009 Winner of the Best Paper Award in Corporate Finance at the 2009 FMA Meetings

2006 One of the five finalists for the Brattle Prize (awarded to the best paper in corporate finance published in the *Journal of Finance*)

- 2006 Jesse H. Jones Graduate School of Management Award for Scholarship Excellence
- 2006 Best Discussant at the Caesarea Center 3<sup>rd</sup> Annual Academic Conference
- 2005 Nomination for the Smith-Breedon Prize (awarded to the best paper published in the *Journal of Finance*)

## Google Scholar Citations

Total Citations: 7,333  
h-index: 27

## Publications

### Academic Publications

1. “When Low Beats High: Riding the Sales Seasonality Premium” with Yamil Kaba and Alexander Núñez, *Journal of Financial Economics*, forthcoming.
2. “Are US Industries Becoming More Concentrated?” with Yelena Larkin and Roni Michaely, *Review of Finance*, 23 (2019), 697–743.
  - ◇ Editor’s Choice Lead Article
  - ◇ Abstracted in the *Harvard Law School Forum on Corporate Governance and Financial Regulation*, September 2015.
3. “Concentrating on Q and Cash Flow” with John Hund and James Weston, *Journal of Financial Intermediation*, 33 (2018), 1-15.
  - ◇ Lead Article
4. “The Effects of Short-Selling Threats on Incentive Contracts: Evidence from an Experiment” with David De Angelis and Sebastien Michenaud, *Review of Financial Studies*, 30 (2017), 1627-1659.
  - ◇ Abstracted in the *Harvard Law School Forum on Corporate Governance and Financial Regulation*, June 2013.
  - ◇ Runner-up for the Best Paper Award at the 2014 EFA Meetings
5. “Product Market Competition and Internal Governance: Evidence from the Sarbanes Oxley Act” with Vidhi Chhaochharia, Yaniv Grinstein and Roni Michaely, *Management Science*, 63 (2017) 1405-1424.
6. “The Real Effects of Short-Selling Constraints” with Sebastien Michenaud and James Weston, *Review of Financial Studies*, 28 (2015), 1737-1767.
  - ◇ Abstracted in *The CFA Digest*, March 2016.

7. “Comovement and Investment Banking Networks” with Shane Underwood and James Weston, *Journal of Financial Economics*, 113 (2014), 73-89.
8. “Real Options, Volatility, and Stock Returns” with Evgeny Lyandres and Alexei Zhdanov, *Journal of Finance*, 67 (2012), 1499-1537.
9. “Corporate Financing Decisions, Managerial Market Timing, and Real Investment” with Alex Butler, Jess Cornaggia, and James Weston, *Journal of Financial Economics*, 101 (2011), 666-683.
  - ◇ Winner of the Best Paper Award in Corporate Finance at the 2009 FMA meetings.
10. “Has the Propensity to Pay Out Declined?” with Brad Paye, Shane Underwood, and James Weston, *Journal of Financial and Quantitative Analysis*, 46 (2011), 1-24.
  - ◇ Lead Article
11. “What Drove the Increase in Idiosyncratic Volatility during the Internet Boom?” with Jason Fink, Kristin Fink, and James Weston, *Journal of Financial and Quantitative Analysis*, 45 (2010), 1253-1278.
12. “Can Managers Successfully Time the Maturity Structure of Their Debt Issues?” with Alex Butler and James Weston, *Journal of Finance*, 61 (2006), 1731-1758.
  - ◇ Nominated for the 2006 Brattle Prize.
13. “The Impact of Capital Structure on Advertising Competition: An Empirical Study” with George Kanatas and Piyush Kumar, *Journal of Business*, 79 (2006), 3101-3124.
14. “Can Managers Forecast Aggregate Market Returns?” with Alex Butler and James Weston, *Journal of Finance*, 60 (2005) 963-986.
  - ◇ Nominated for the 2005 Smith Breeden Prize.
15. “Stock Market Liquidity and the Cost of Issuing Equity” with Alex Butler and James Weston, *Journal of Financial and Quantitative Analysis*, 40 (2005), 331-348.
16. “Dividend Changes Do Not Signal Changes in Future Profitability” with Shlomo Benartzi, Roni Michaely and Richard Thaler, *Journal of Business*, 78 (2005), 1659-1682.
17. “Advertising, Breadth of Ownership, and Liquidity” with George Kanatas and James Weston, *Review of Financial Studies*, 17 (2004), 439-461.
18. “The Information Content of Share Repurchase Programs” with Roni Michaely, *Journal of Finance*, 59 (2004), 651-680.
19. “Dividends, Share Repurchases, and the Substitution Hypothesis” with Roni Michaely, *Journal of Finance*, 57 (2002), 1649-1684.
  - ◇ Abstracted in *The CFA Digest*, February 2003, 10-12.
  - ◇ Abstracted in *Investor Relations Quarterly*, Volume 5, 2002, 20-37.

20. “Are Dividend Changes a Sign of Firm Maturity?” with Roni Michaely and Bhaskaran Swaminathan, *Journal of Business*, 75 (2002), 387-424.
- ◇ Lead Article
  - ◇ Abstracted in *The CFA Digest*, February 2003, 33-34.
  - ◇ Abstracted in *Economic Intuition*, Spring 2002, 19-20.
21. “Closed-End Fund Discounts with Informed Ownership Differential” with Albert Wang, *Journal of Financial Intermediation*, 10 (2001), 171-205.
22. “Capital Adequacy, Bank Mergers, and the Medium of Payment” with Roni Michaely and Itzhak Swary, *Journal of Business Finance and Accounting*, 24 (1997), 97-124.

### **Other Publications**

Comments on “The Effects of Taxes on Market Responses to Dividend Announcements and Payments: What Can We Learn from the 2003 Dividend Tax Cut?” in Alan Auerbach, James R. Hines, and Joel Slemrod, eds. *Taxing Corporate Income in the 21st Century*, Cambridge University Press.

“What Do We Know About Stock Repurchases?” with Dave Ikenberry, *Journal of Applied Corporate Finance*, 13 (2000), 31-51.

- ◇ Reprinted in *The Revolution in Corporate Finance*, edited by J.M. Stern and D.H. Chew, Jr. (Fourth Edition).
- ◇ Abstracted in *The CFA Digest*, February 2001, 61-62.

### **Working Papers**

“Dividend Policy and Product Market Competition” with Yelena Larkin and Roni Michaely, R&R at the Journal of Financial and Quantitative Analysis

“Short Interest and Investment” with Yelena Larkin and Alexei Zhdanov

“The Worst of Both Worlds: M&As are Anti-Competitive and Inefficient” with Alex Butler and Gabriele Lattanzio.

“Who Generates Innovation?” with Yelena Larkin and Roni Michaely.

### **Research Projects in Progress**

“The Long-Run Persistence of Debt Maturity” with Yamil Kaba, Alexander Nuñez, and James Weston

“Share Repurchases and Asset Prices” with James Weston

“Firms’ Life Cycle and Tobin’s Q” with James Weston and John Hund

“Competition and Stakeholder Satisfaction” with Yelena Larkin and Roni Michaely

“The Bright and Dark Sides of Share Repurchases” with Dave Ikenberry

## **Presentations**

- 2018 University of Nevada-Las Vegas, Summer Finance and Accounting Conference at the Hebrew University of Jerusalem, University of Wisconsin at Madison
- 2017 Baylor University, Texas A&M, University of Illinois at Urbana-Champaign, University of Notre Dame
- 2016 University of Arizona
- 2015 Western Finance Association Meetings
- 2014 University of Puerto Rico Undergraduate Research Symposium, University of Memphis, Texas Christian University
- 2013 Interdisciplinary Center Herzliya, Tel Aviv University, Norwegian Business School, Copenhagen Business School, Aalto University, University of California-San Diego
- 2012 Pennsylvania State University, Singapore Management University, National University of Singapore, Nanyang Technological University, Hong Kong Science and Technology University
- 2011 Texas A&M International, Western Finance Association Meetings, Lone Star Symposium, University of Kansas
- 2010 Financial Management Association Meetings
- 2009 Texas A&M, Western Finance Association Meetings, National Bureau of Economic Research, University of Houston, Virginia Tech, Financial Management Association Meetings, University of Alabama
- 2008 American Finance Association Meetings, University of Miami, University of British Columbia Winter Finance Conference, Louisiana State University, Western Finance Association Meetings, University of Illinois at Urbana-Champaign, University of Texas at San Antonio
- 2007 Texas A&M International, University of Oklahoma, Texas State University, Georgia State University
- 2006 University of Missouri at Columbia, Vanderbilt University, University of Maryland

- 2005 University of Texas at Austin, Financial Management Association Meetings, University of Texas at Dallas, Boston College
- 2004 American Finance Association Meetings, Financial Management Association Meetings, Western Finance Association Meetings, National Bureau of Economic Research Corporate Finance Program, Cornell University, Washington University at St. Louis, Texas Christian University
- 2003 American Finance Association Meetings, Financial Management Association European Conference, University of Minnesota
- 2002 American Finance Association Meetings, National Forum on Corporate Finance, Southern Methodist University
- 2001 Australian Graduate School of Management Finance and Accounting Research Camp, Financial Management Association European Conference, Securities and Exchange Commission, Western Finance Association Meetings
- 2000 Texas Finance Festival, Western Finance Association Meetings
- 1999 American Finance Association Meetings, Texas Finance Festival, Western Finance Association Meetings, National Bureau of Economic Research
- 1998 Cornell University, Dartmouth College, Harvard University, University of North Carolina, Rice University, Tulane University, University of Pennsylvania

<b>Conference Discussant</b>
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- 2019 USC Conference on Emerging Technologies in Accounting and Financial Economics, The 8th ITAM Finance Conference
- 2018 American Finance Association Meetings, The 20<sup>th</sup> Annual Texas Finance Festival
- 2017 Financial Management Association Meetings
- 2015 Western Finance Association Meetings
- 2013 Financial Management Association Meetings
- 2011 University of British Columbia Winter Finance Conference, European Finance Association Meetings
- 2010 American Finance Association Meetings
- 2009 American Finance Association Meetings, The 11<sup>th</sup> Annual Texas Finance Festival, Financial Management Association Meetings

- 2007 The 13<sup>th</sup> Mitsui Life Symposium, Western Finance Association Meetings
- 2006 American Finance Association Meetings, American Economic Association Meetings, University of North Carolina Tax Symposium, The Caesarea Center 3<sup>rd</sup> Annual Academic Conference, Financial Management Association Meetings
- 2005 American Finance Association Meetings, Taxing Corporate Income in the 21<sup>st</sup> Century at the University of Michigan, Financial Management Association Meetings
- 2004 Financial Management Association Meetings, American Finance Association Meetings
- 2003 Financial Management Association European Conference
- 2001 Financial Management Association European Conference
- 2000 American Finance Association Meetings

### **Session Chair**

- 2017 American Finance Association
- 2015 SFS Finance Cavalcade
- 2013 Western Finance Association Meetings
- 2011 European Finance Association Meetings
- 2007 Western Finance Association Meetings
- 2006 North American Economics and Finance Association Meetings
- 2004 Financial Management Association Meetings
- 2001 Financial Management Association European Conference
- 1999 Financial Management Association Meetings

### **Editorial Appointments**

- Associate Editor, *Financial Management* (2006 - 2011)
- Associate Editor, *Quarterly Journal of Finance* (2009 - Present)
- Associate Editor, *International Review of Finance* (2009 - Present)

## **Referee Services**

*Journal of Finance*  
*Review of Financial Studies*  
*Journal of Financial Economics*  
*Journal of Business*  
*Journal of Financial and Quantitative Analysis*  
*Journal of Financial Intermediation*  
*Journal of Financial Markets*  
*Journal of Banking and Finance*  
*Financial Management*  
*Journal of Empirical Finance*  
*Financial Analysts Journal*  
*The Financial Review*  
*Southern Economic Journal*  
*Pacific-Basin Finance Journal*  
*Quarterly Review of Economics and Finance*  
*Social Sciences and Humanities Research Council of Canada*  
*Global Finance Journal*  
*Contemporary Accounting Research*  
*The Accounting Review*  
*Management Science*  
*Journal of Business and Economic Statistics*  
*Journal of Financial Research*  
*Journal of Business Finance and Accounting*  
*Managerial and Decision Economics*  
*Review of Finance*  
*Review of Economics and Statistics*  
*Journal of Corporate Finance*  
*European Journal of Finance*  
*Quantitative Finance*  
*National Tax Journal*

## **Service**

### Rice University Committees

Faculty Advisory Committee for the Office of Faculty Development (Active)  
Commencement Marshal (Active)  
University Promotion and Tenure Committee  
Dean Search Committee  
Research Council

### Jones School Committees

Jones Citizenship Awards Committee (Active)  
Academic Area Coordinator  
Faculty Council

Promotion and Tenure Committee  
Academic Standards Committee  
Ph.D. Program Committee  
Executive Programs Committee  
Quantitative Analysis and Computing Committee

## **Selected Quotes and References in Media**

The Nation (July 29-August 5, 2019, Issue)  
Le Monde (May 2, 2019)  
Forbes (April 17, 2019)  
Business Insider (February 5, 2019)  
Barron's (December 11, 2018)  
Crain's Cleveland Business (December 2, 2018)  
Nonprofit Quarterly (November 27, 2018)  
The Australian Financial Review (November 27, 2018)  
Bloomberg (November 26, 2018)  
Business Insider (September 26, 2018)  
The Indian Express (September 2, 2018)  
Livemint (August 29, 2018)  
Financial Times (August 17, 2018)  
Financial Times (August 15, 2018)  
The Sydney Morning Herald (August 2, 2018)  
New York Times (August 2, 2018)  
Haaretz (March 22, 2018)  
Houston Chronicle (March 2, 2018)  
Contrepoints (February 23, 2018)  
CNMoney (December 5, 2017)  
Bloomberg (September 1, 2017)  
Fox Business (May 8, 2017)  
Wall Street Journal (May 7, 2017)  
Diario Gestion (April 6, 2017)  
InfoMoney (April 5, 2017)  
El Comercio (April 5, 2017)  
Bloomberg (April 5, 2017)  
ETF.com (April 2, 2017)  
Profit Confidential (March 17, 2017)  
The San Diego Union-Tribune (March 19, 2017)  
The Hill (March 16, 2017)  
Engineering.com (March 14, 2017)  
Wall Street Journal (March 3, 2017)  
Houstonia Magazine (October 24, 2016)  
FinFacts Ireland (October 3, 2016)  
The Economist (September 17, 2016)  
Wall Street Journal (January 6, 2016)  
ValueWalk (September 16, 2015)  
Houston Chronicle (May 3, 2016)

Houston Chronicle (November 4, 2014)  
Houston Chronicle (April 29, 2011)  
Houston Chronicle (May 6, 2010)  
Houston Chronicle (May 3, 2010)  
Houston Chronicle (April 30, 2010)  
New York Times (February 5, 2010)  
The Washington Post (February 5, 2010)  
Fox News.com (February 5, 2010)  
ABC News.com – MONEYScope (January 8, 2003)  
The Globe and Mail Report on Business Magazine (October 25, 2002)  
IE: Money (October 2002)  
MSN Money – The Speculator (October 17, 2002)  
Forbes Growth Investor (September 2002)  
Wall Street Journal (June 17, 2002)  
San Diego Union Tribune (March 17, 2002)  
CBS MarketWatch (February 22, 2002)  
Pittsburgh Post-Gazette (October 16, 2000)  
New York Times (August 6, 2000)  
SmartMoney Magazine (July 2000)  
Financial Times (May 19, 1999)